

93

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CENTRAL INTELLIGENCE AGENCY

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INFORMATION REPORT INFORMATION REPORT

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REPORT NO. [REDACTED]

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COUNTRY Czechoslovakia

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50X1

1. The program to establish Unified Agricultural Cooperatives (JZD) was initiated at the end of 1949. The government policy which aimed to abolish private farming and establish cooperatives was most strongly enforced during 1951 and 1952. At the end of 1953, when a new agricultural policy which meant relaxation in the drive for setting up cooperatives was officially proclaimed by the regime, about 38 per cent of the total agricultural land in Czechoslovakia was owned by cooperatives.
2. In general, there were more cooperatives in Bohemia than in either Moravia or Slovakia. This was because there were more Communists in Bohemia than in either of the other two parts of the country. There were more cooperatives in low fertile areas than in hilly areas, and practically no cooperatives were established in mountainous regions, i.e., 600 m. or more above sea level. The Communists made a greater effort to bring fertile areas under their control. The collectivization reached a relatively high level in the Bohemian border areas where the majority of farmers were Communists. They were, for the most part, former agricultural laborers who resettled in border areas and who had had no experience with independent farming; therefore, they preferred to join cooperatives and let the cooperative take the responsibility for the results. In Slovakia, areas having Hungarian populations had more cooperatives than areas with only Slovak population. Basing his opinion on the above-mentioned facts, source concluded that the areas with the largest number of cooperatives were the Prague and Pardubice regions and the part of Southern Slovakia encircled by Nove Mesto nad Vahom (N 48-45, E 17-50), Trnava (N 49-18, E 17-50), Bratislava, the Danube River, Sturovo (N 48-04, E 18-58), and Nitra (N 48-19, E 18-05). The Hana area (roughly Central Moravia) and Southern Moravia came next. Areas having only a small number of cooperatives were the Gottwaldov, Zabreh (N 49-53, E 16-52), and Uhersky Brod (N 49-02, E 17-39) districts and the regions of Presov (N 49-00, E 21-45) and Zilina (N 49-10, E 19-00). Source did not know of any village which was

CONFIDENTIAL

CONFIDENTIAL

-2-

entirely collectivized. Even the so-called "model" cooperatives, such as the one in Kadov, in the Jihlava (N 49-20, E 15-30) region, did not include the entire area of the village. On the other hand, a number of villages had no cooperative; but the villages in which a cooperative had been established were in the distinct majority.

1. Most of the cooperatives were type three; source did not know of any type four cooperatives.<sup>1</sup> They were of various sizes. The smallest, the so-called "minority" cooperatives, had about 50 hectares each. These cooperatives were made up of "factory farmers" and farmers with small acreages, but, because the remaining farmers of the village did not join, the cooperatives remained small. Most of the "minority" cooperatives were in southeast Moravia. This area had only a few large cooperatives because of the resistance of the population to collectivization. The cooperatives of medium size had from 300 to 500 hectares each. These usually included from 60 to 80 per cent of the area of a village. There were also "giant" cooperatives having 2,000 hectares or even more; for instance, the cooperative in Hradec nad Svitavou (N 49-43, E 16-29) had about 2,300 hectares. Most of the "giant" cooperatives were in the border areas.

The strongest supporters of collectivization were the "factory farmers" and the "small" farmers -- those having up to five hectares. The "factory farmers" were usually CP members and it was their Party duty to encourage the establishment of cooperatives. Furthermore, they were eager to create cooperatives because they counted on continuing to make their living by their factory wages and leaving the responsibility of the land and most of the work to the cooperative while they still enjoyed the profit. However, they miscalculated because, according to the government program for the recruitment of labor for agriculture which was initiated in 1954, the "factory farmers" were to leave the factories and work exclusively on cooperatives.<sup>2</sup> The majority of "small" farmers were also CP members; this was especially true of "small" farmers in Bohemia. They were Communists mainly because they believed the Communist propaganda which promised that the residual estates in their areas would be divided among them. Actually, this never happened. Instead, the regime began to promise that the local residual estates would be made a part of the cooperative, should a cooperative be established. "Small" farmers wanted to increase their acreage in order to earn a better living and, therefore, they were in favor of the cooperatives. However, most of the residual estates did not become part of the cooperatives but were turned over to the state farms instead.

The private farmers who owned from 17 to 25 hectares or more were also inclined to collectivize, but, in contrast to the reasons which prompted "small" farmers and "factory farmers" to join cooperatives, they did so for purely economic reasons. Since their machinery had been confiscated and they were not allowed to hire laborers, they could not cultivate their fields; therefore, the only solution for them was to join the cooperatives. However, they were admitted to the cooperatives only if the cooperative as a whole had enough laborers to assure cultivation of their land. Otherwise, they were left to their own devices. This labor problem continued to remain unsolved.

The strongest opponents to collectivization were farmers with from 5 to 17 hectares. They usually did not have machinery sufficiently large to be "purchased" by the tractor and machinery pools and they were allowed to keep their equipment. They also were able to cultivate their fields without hiring additional labor. On the other hand, it sometimes happened that farmers owning from 12 to 20 hectares,

CONFIDENTIAL

CONFIDENTIAL

-3-

if they constituted the large majority of a village, established a cooperative. They would decide to do so, not because they were pro-Communist, but because of economic reasons. They were overloaded with work and could not hire help; therefore, they wanted to have their fields cultivated with machinery from the tractor and machinery pools. It is obvious that these cooperatives lacked Communist spirit and could not be controlled by the CP because they were run by non-Communists. The CP referred to them as "kulak" cooperatives and fought against them, although not openly; however, the Communists did not know what to do about them because they proved to be rather profitable. These cooperatives fulfilled delivery quotas, but they did not comply with the various directives established by the local government. The planning called for a certain acreage to be sown with a particular crop and for a certain amount of the crop to be turned over to the state market through bulk purchase. However, the cooperative members, because they were good farmers, achieved a higher crop yield than had been anticipated by the planning officials; and, therefore, they planted the particular crop on a smaller acreage than had been planned and used the remaining acreage for a better-paying crop which they sold on the retail market. This, of course, did not comply with the intentions of the local government which preferred adherence to planned acreages. In that way it might be possible for "Communist" cooperatives to supply more than the delivery quotas through bulk purchases. The "kulak" cooperative members were also reluctant to build a common stable, claiming that it was unnecessary. However, each type three cooperative had to have a common stable in order to comply with the directives. The "Communist" cooperatives built common stables in spite of the fact that they did not want them because they had to borrow money in order to construct the stables. Almost all type three cooperatives had a common stable and some of them also had common pig sties. Source saw only two cooperatives which had a common stable, a common pig sty, and a common barn.

7. The relationship between a "Communist" cooperative and the private farmers in the villages was usually one of direct opposition, which was exactly what the CP wanted. The cooperative members who were Communists naturally did not like the private farmers, and even those who were not Communists envied them because they had managed to survive without joining a cooperative. However, the relationship between a "kulak" cooperative and private farmers was very good. The "kulak" cooperatives were relatively rare, their existence necessitating a specific village social structure, i.e., no great differences in the amount of land possessed and no Communists among the farmers of the village. Most of the "kulak" cooperatives were located in the Hana area. For example, the cooperative in Slapanice (N 49-10, E 16-44) was considered a "kulak" cooperative.
8. Whether or not a cooperative was established in a village depended, of course, not only upon the category of the farmers, as classified above, but also upon the amount of effort put forth by the CP machine.<sup>3</sup>
9. The Unified Agricultural Cooperative (JZD) was a cooperative made up of private farmers, the individual members remaining the owners of the land which they contributed to the cooperative. In the case of state farms, the land became the property of the state and was administered by the state farm. The individual cooperatives had a uniform system or organization which complied with government directives. However, in contrast to state farms, the cooperatives did not form a centralized setup, and individual cooperatives were independent of each other. The individual cooperatives were on their own, enjoying their profits alone and suffering their losses alone.

CONFIDENTIAL

CONFIDENTIAL

-4-

The cooperatives were not financed from the national budget as were the state farms, and their financial profit or loss did not appear as such in the budget. The government allotted only loans to the cooperatives. The interest on capital investment loans was 2½ per cent and on working capital it was about six per cent.

10. The effect of the above-mentioned procedures which are somewhat characteristic of private enterprise was, however, canceled by the fact that production on cooperatives had to conform with overall planning directives as established by the central government and the local governments. In contrast to the state farms, the cooperatives had only light agricultural machinery; thus, they were dependent on the state tractor and machinery pools. It was obvious that this arrangement was intended to give the regime control over the cooperatives. It was claimed that the pools could make better utilization of the machinery and achieve better results than if the machinery were managed by the cooperatives themselves. In direct contrast to this reasoning, however, the state farms were permitted to have their own machinery. The fulfillment of production directives as well as life in general on the cooperatives was fully controlled by the CP and local governments in a way which could not possibly have been achieved with private farmers. From the political-economic point of view, the regime intended the cooperatives to be mass production units and, therefore, they could not and did not enjoy all the privileges which the regime accorded state farms. The privileges given the state farms made the cooperative members envious, and the relationship between state farms and cooperatives was, therefore, quite unfriendly.
11. Each Unified Agricultural Cooperative (JZD) was headed by a chairman who was responsible for carrying out the daily operations. There was also an agronomist and a technician in charge of animal husbandry on cooperatives which had approximately 200 hectares or more. On small cooperatives these functions were handled by the chairman. The chairman, agronomist, and technician in charge of animal husbandry were elected by the members of the cooperative. There was also an accountant on each cooperative. These four functionaries formed a staff which was responsible to the supervisory board of the cooperative, the members of which were also elected. On large cooperatives, there were also assistants to the technician in charge of animal husbandry and the agronomist. These assistants were called group leaders and were also elected by the members of the cooperative. The daily work was performed by two main groups -- one for work in the fields and one to work with the animals. Members were permanently assigned to each group.
12. It was obligatory that each member retain a small acreage which was not to exceed one-half hectare, one cow, one or two hogs, and some fowl. It sometimes occurred that a cooperative member wanted to contribute all of his land to the cooperative, but he was not allowed to do so, apparently because the regime wanted the cooperative members to have a reserve which would supply them with a minimum quantity of food should the cooperative completely fail or should the entire production of the cooperative have to be turned over to the state.
13. The cooperative members were paid according to the number of work units they completed. Each work unit was equal to a specified sum of money and a specified amount of agricultural produce, and was calculated by each cooperative in accordance with national directives. The National Congress of Cooperatives, according to government directives, established seven "efficiency" categories into which all types of agricultural work were grouped according to the difficulty of the operation performed. For example, cleaning the farm yard was included in the first category, plowing with horses

CONFIDENTIAL

CONFIDENTIAL

-5-

was in the fourth category, and work of the chairman was in the seventh category. A certain amount of a particular kind of work was established as a norm, e.g., plowing one-half hectare with horses was considered to be the norm for that type of work. The norm was roughly the amount of work which could reasonably be completed in one day. The completed norm equaled a fraction or multiple of the work unit, depending on the particular "efficiency" category of the work. The completed norms for each of the seven "efficiency" categories equaled the following fractions or multiples of a work unit: first category, .50 work unit; second category, .75 work unit; third category, 1.00 work unit; fourth category, 1.25 work units; fifth category, 1.50 work units; sixth category, 1.75 work units; seventh category, 2.00 work units. In January, when preparing the production plan, the cooperative calculated the total number of work units necessary to insure fulfillment of the production plan and made an estimate of the value of the production. From the estimated production value, the calculated production cost, not including the salaries of members, was deducted; the result was divided by the total number of work units, thus giving the value of the work unit.

4. Each month the members received one-half the sum which represented the value of the number of work units completed and was, in effect, a salary advance. The remaining salary due was paid at the end of each year after final production results had been computed. Payment in agricultural produce was made twice each year -- an advance after harvest and the remainder at the end of the year. Payment in agricultural produce usually was from .50 to .75 kg. of wheat per work unit; the same amount for fodder grain, such as barley, oats, rye, or maize; two or three kilograms of potatoes per work unit; and a certain quantity, source could not recall the exact amount, of hay or green fodder per work unit. The average value of a work unit was from 8 to 12 crowns; this value was achieved on 80 per cent of the cooperatives. Some cooperatives averaged as much as 16 or 20 crowns per work unit; although there were also cooperatives on which the value of the work unit was as little as four or five crowns. For example, the cooperative in [redacted] paid 4.20 crowns per work unit in 1953. Even the payment of the average value of the work unit resulted in a low monthly salary when one considers that the approximate total number of work units per year was from 300 to 400 units for men working in the fields, from 150 to 220 work units for women working in the fields, 450 units for men or women working in the stables, 550 work units for the agronomist, and a maximum of 600 work units for the chairman.

50X1

The income of cooperatives continued to be low in spite of the fact that the 1953 and 1954 bulk purchase prices for agricultural produce were higher than in previous years and the delivery quotas were lower, thus enabling the cooperatives to sell their produce on the retail market in larger quantities than had been possible previously. The retail market prices were much higher than the bulk purchase prices, e.g., 100 kg. of wheat sold for 90 crowns through bulk purchases and for about 220 crowns directly to the consumer. In general, retail prices were higher than during the First Republic; however, the quantity of produce which the cooperatives had available for the retail market was still much lower than the amount required by the delivery quota for bulk purchases. The low income was and continued to be the main reason for farmers wishing to leave the cooperatives. On the other hand, the lowest salaries of the cooperative members were higher than the lowest salaries paid by the private farmers to their domestics during the First Republic.

It was source's opinion that production on the cooperatives was from 15 to 20 per cent lower than the production achieved on the same land by private farmers during 1948 and 1949. The decrease in production

CONFIDENTIAL

CONFIDENTIAL

-6-

was due both to the general situation in the country and emphasis on the application of Communist agricultural policies.

17. In late summer 1953, the regime relaxed its efforts to collectivize agriculture and concentrated on an attempt to increase agricultural production. However, it was the general opinion among Agroprojekt employees that this relaxation was due to the change in Moscow policy which occurred with the appointment of Malenkov, rather than conditions in Czechoslovak agriculture. Whatever the main reason may have been, the farmers used the opportunity offered them by the regime and left the cooperatives. The general "walk out" started shortly after the 1953 harvest, increased during the winter of 1953-54, and was resumed again after the 1954 harvest. However, the "walk out" did not reach catastrophic proportions. Source was better informed about the situation in Moravia than about the situation in Bohemia or Slovakia. He believed that the total acreage of cooperatives in Moravia was decreased by one-third of the size it had been in the summer of 1953. In some cases, the acreage of a cooperative decreased from 200 to 30 hectares; yet, the total number of cooperatives did not change much -- in only a few cases did all members of a cooperative leave with the result that the cooperative was completely abolished. The CP organs made every effort, by peaceful means, to keep alive even a small part of each cooperative. Most of the cooperative members who left were farmers with from approximately 5 to 13 hectares. In general, the farmers with up to five hectares did not leave the cooperatives because the majority of them were CP members and because they did not have their own equipment to use. The majority of the large farmers also remained members of the cooperatives because they could not cultivate their fields without hiring laborers and the hiring of farm labor continued to be impossible. This was also true with regard to "kulak" cooperatives. The farmer who left a cooperative was supposed to receive his land or the equivalent acreage of the same quality soil, his livestock, and his equipment. He actually received the soil and the animals but rarely received his machinery and equipment because it usually had deteriorated during the period of his membership in the cooperative. It was very difficult to replace equipment because agricultural machinery for use with horses was not being produced and neither were spare parts.
8. The delimitation of the land was handled by personnel working with the agricultural land adjustment program in offices of the regional national committees which became agroprojekt regional centers in April 1954, and by surveyors of the district national committees who were incorporated, also in April 1954, into the Institute of Goedesy and Cartography.
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3.  Comment: The methods used by the CP for establishing cooperatives are not discussed in this report because it is felt that they are sufficiently well known. 50X1
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